

STATE OF WASHINGTON  
GAMBLING COMMISSION

In the Matter of the Denial of the  
Application for a License to Conduct  
Gambling Activities of:

Hong T. Nguyen  
Vancouver, Washington,

Licensee.

) NO. CR 2013-01882

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**FINDINGS, CONCLUSIONS,  
DECISION, AND FINAL  
ORDER IN DEFAULT**

THE MATTER of the denial of the application for a license to conduct gambling activities of Hong T. Nguyen having come before the Commission on January 16, 2014, the Commission makes the following Findings of Fact, Conclusions of Law, and issues the following Decision and Order:

**FINDINGS OF FACT**

I.

Hong T. Nguyen applied to the Washington State Gambling Commission for the following license:

Number 68-09296, authorizing Card Room Employee activity at Lucky 21 Casino, Woodland, Washington.

The applicant, Hong T. Nguyen, was subject to compliance with state gambling laws and regulations.

II.

On November 4, 2013, Director David Trujillo issued administrative charges to Hong T. Nguyen by certified and regular mail. The administrative charges notified Ms. Nguyen that failure to respond would result in the entry of a default order denying her application for a license. Ms. Nguyen did not respond to the charges and waived her right to a hearing. Pursuant to RCW 34.05.440, this final order is entered in default.

III.

**SUMMARY:**

The applicant is not qualified to be licensed based on criminal charges issued in 2005 for her involvement with bookmaking and operating a lottery. After a two-year investigation, the applicant, her then-live-in boyfriend, and two card room employees were charged with felony bookmaking (professional gambling). Although the applicant completed a diversion program and had her criminal charge dismissed, the applicant remains unqualified due to her prior

involvement in professional gambling.

#### FACTS:

- 1) The applicant, Hong T. Nguyen, applied for a Card Room Employee (CRE) license in August 2013, to work at Lucky 21 Casino<sup>1</sup> in Woodland. Ms. Nguyen previously held a CRE license between 2000 and 2002.
- 2) A Special Agent (agent) was assigned to review Ms. Nguyen's application because Ms. Nguyen disclosed that she had been charged with professional gambling in 2005. Ms. Nguyen provided a court document from Clark County, Washington, showing her Professional Gambling 2nd Degree charge was dismissed after Ms. Nguyen completed a one-year diversion.
- 3) The agent reviewed a 2004 Gambling Commission case report detailing an investigation that resulted in felony professional gambling charges being filed against Ms. Nguyen, her then-live-boyfriend, Phu V. Tran, and two card room employees, Tony Vu, and Jamie Bui. Ms. Nguyen was not a card room employee at the time. Commission agents had investigated the professional gambling activities of these individuals for two years. The agent found Ms. Nguyen assisted her then-live-in boyfriend facilitate bookmaking, and Ms. Nguyen operated an illegal lottery.
- 4) The agent reviewed the final disposition in the Gambling Commission's seizure and forfeiture case involving property claimed by Ms. Nguyen. Agents seized two vehicles, assorted jewelry and \$35,273 in U.S. currency as a result of the two-year investigation into professional gambling. A hearing was held at Ms. Nguyen's request. On October 6, 2005, an Administrative Law Judge (ALJ) ordered the two vehicles, \$35,273 in U.S. currency, and a watch forfeited to the Gambling Commission. The ALJ ordered the return of the assorted jewelry to Ms. Nguyen. The ALJ's Findings of Fact, Conclusions of Law and Initial Order included the following conclusions:
  - Ms. Nguyen's then-live-in boyfriend, Phu Tran, operated a professional gambling bookmaking operation in Clark County, Washington during the two-year period of the agents' investigation.
  - Ms. Nguyen operated a lottery.
  - The \$35,273 in U.S. currency, seized at the home shared by Ms. Nguyen and Phu Tran, and from Ms. Nguyen's car, were proceeds from Ms. Nguyen's lottery and from Phu Tran's bookmaking.
  - Ms. Nguyen did not identify any other source of legally earned income.
  - Ms. Nguyen periodically collected losing bets or paid winning bets to Phu Tran or Jamie Bui, a co-conspirator in Phu Tran's bookmaking operation.
- 5) Ms. Nguyen petitioned for review of the ALJ's Findings of Fact, Conclusions of Law and

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<sup>1</sup> Lucky 21 Casino was licensed as a 15-table house-banked card room and class "C" punchboard/pull-tab operator in September 2013.

Initial Order; however agreed in a Settlement Order on January 11, 2006, to waive her claim of all the seized items except for the assorted jewelry and a watch, which the Gambling Commission returned to Ms. Nguyen. Ms. Nguyen made no further appeals after the 2006 Settlement Order.

6) After reviewing Ms. Nguyen's criminal history, the agent wrote to Ms. Nguyen's potential employer, Lucky 21 Casino. She informed them of their opportunity to withdraw Ms. Nguyen's application because Ms. Nguyen was unlikely to qualify for a license due to her 2005 involvement in professional gambling. Lucky 21 Casino's General Manager and owner, Dr. Dan Yan, was unwilling to withdraw Ms. Nguyen's application, and continued to support Ms. Nguyen's license application and employment at the card room.

Dr. Yan responded that he was "fully aware of Ms. Nguyen's history," adding, "I have personally spoken with her and feel that she would be a great asset to our company. I am under complete understanding of the charges filed against her in 2005."

## **VIOLATIONS:**

### **1) RCW 9.46.075 Denying, suspending, or revoking an application, license or permit**

The commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

(8) Fails to prove, by clear and convincing evidence, that she is qualified in accordance with the provisions of this chapter.

(10) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain;

### **2) WAC 230-03-085 Denying, suspending, or revoking an application, license or permit**

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(8) Poses a threat to the effective regulation of gambling, or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities, as demonstrated by:

- (a) Prior activities; or
- (b) Criminal record.

**3) RCW 9.46.153(1) Applicants and licensees-Responsibilities and duties**

It shall be the affirmative responsibility of each applicant and licensee to establish by clear and convincing evidence the necessary qualifications for licensure of each person required to be qualified under this chapter, as well as the qualifications of the facility in which the licensed activity will be conducted.

The applicant, Hong T. Nguyen, is not qualified for a license based on criminal charges issued in 2005 for her involvement with bookmaking and operating an illegal lottery. After a two-year investigation, the applicant, her then-live-in boyfriend, and two card room employees were charged with felony Professional Gambling. Ms. Nguyen was found by an ALJ to have operated an illegal lottery, and helped to facilitate her then-live-in boyfriend's bookmaking. The ALJ ordered two vehicles, a watch and \$35,273 in U.S. currency forfeited to the Gambling Commission. Although the applicant completed a diversion program and had her criminal charge dismissed, the applicant remains unqualified due to her prior involvement in professional gambling.

Ms. Nguyen's prior activities demonstrate that she poses a threat to the effective regulation of gambling, and she pursued economic gain in a context which violated criminal laws creating probable cause to believe that Ms. Nguyen's participation in gambling would be inimical to the proper operation of authorized gambling in Washington State. As a result, she has failed to prove by clear and convincing evidence the necessary qualifications for licensure, in violation of RCW 9.46.153. Therefore, under RCW 9.46.075(1), (8) and (10), and WAC 230-03-085(1), and (8), grounds exist to deny Ms. Nguyen's application for a license.

IV.

**CONCLUSIONS OF LAW**

The circumstances specified in the Findings of Facts in section III above constitute grounds for the denial of Hong T. Nguyen's application for a license to conduct gambling activities under the authority of the RCW 9.46.075, and WAC 230-03-085.

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**DECISION AND ORDER**

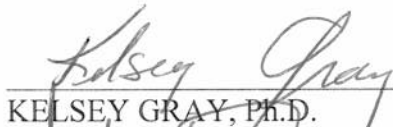
The Washington State Gambling Commission HEREBY ORDERS: Hong T. Nguyen's application for a license to conduct gambling activities is DENIED.

DATED this 16 day of January, 2014.



MICHAEL AMOS, Chair

MARGARITA PRENTICE,  
Vice Chair



KELSEY GRAY, Ph.D.



CHRISTOPHER STEARNS



GEOFFREY SIMPSON

PRESENTED BY:



Melinda Froud, WSBA# 26792  
Staff Attorney, Communications and Legal Division  
Washington State Gambling Commission

**NOTICE:** RCW 34.05.440(3) provides that within seven (7) days after service of a default order the party against whom it was entered may file a written motion requesting that the order be vacated and stating the grounds relied upon.

**NOTICE:** Petition for Judicial Review

You have the right to appeal this Final Order to Superior Court, pursuant to the Petition for Judicial Review provisions of RCW 34.05.542. Any Petition for Judicial Review of this Final Order must be filed with the court and also served upon both the Commission and the Office of the Attorney General within thirty (30) days after the date this Final Order is served upon you.

WAC 230-17-040(3) requires that motions be served on the parties listed below:

Washington State Gambling Commission  
Communications & Legal Division  
PO Box 42400  
Olympia, Washington 98504-2400

Gregory J. Rosen  
Assistant Attorney General  
P.O. Box 40100  
Olympia, WA 98504-0100

STATE OF WASHINGTON )  
 )SS  
COUNTY OF THURSTON )

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 21 day of January, 2014

*Margaret Prebitt*

Communications and Legal Department  
Washington State Gambling Commission